



OWNERSHIP · LAND TITLES

Hak Pakai for foreigners: how the right-to-use title works next to HGB and Hak Milik

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Hak Pakai is the only land title a foreigner can hold in their own name in Indonesia. It comes with a residence requirement and a price floor. How long it lasts depends on whose land sits underneath.

Read online: <https://riserealbali.com/guides/hak-pakai-for-foreigners/>

IN SHORT

Hak Pakai is a right-to-use title registered in a foreign resident's name at Indonesia's land agency. On state land it can last up to 80 years in three stages (PP 18/2021). In Bali it covers only houses priced from Rp 5 bn and apartments from Rp 2 bn (Ministerial Decree 1241/2022).

80 years Hak Pakai on state land: 30 + 20 + 30 (PP 18/2021)	30 years Hak Pakai on land an Indonesian holds as Hak Milik, renewable only by a new deed	Rp 5 bn minimum price for a house with land in Bali (Kepmen ATR/BPN 1241/2022)	1 year to sell or transfer if you stop residing in Indonesia (PP 103/2015)
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The four titles you'll see in a Bali deal

Indonesian land rights are listed in the Basic Agrarian Law (5/1960) and detailed in PP 18/2021. Four of them come up when you buy a villa, and only one lets a foreign individual appear on the certificate.

Hak Milik (SHM) is freehold with no end date, open to Indonesian citizens only. HGB, the right to build, is held by citizens and Indonesian companies, including a PT PMA with foreign shareholders. Hak Pakai, the right to use, can be held personally by a foreigner who lives in Indonesia. Hak Sewa is a lease, a private contract rather than a registered land right.

Land titles: term and who can hold them

TITLE	TERM	WHO CAN HOLD IT	OPEN TO A FOREIGNER
Hak Milik (SHM)	No end date	Indonesian citizens	No
Freehold	30 + 20 + 30, up to 80 years	Citizens and Indonesian companies, including a PT PMA	Through your own company
Hak Pakai	Up to 80 years on state land	Citizens and foreigners with a stay permit	Yes, in your own name
Hak Sewa (leasehold)	Set by contract, usually 25–30 years	Anyone	Yes, by contract

Source: UUPA 5/1960; PP 18/2021, as summarized by Hukumonline Klinik and SmartLegal.id

Who qualifies for Hak Pakai?

You need to live in Indonesia legally. That means a KITAS of any type, including the Second Home visa, or a KITAP. A visa on arrival or a tourist visa doesn't qualify, and neither does owning a company here without a stay permit.

The property must be for living in. Current rules allow one house or one apartment per person or family, on a plot of up to 2,000 m² (≈ 21,530 sq ft). Anything larger needs separate ministerial approval (Permen ATR/BPN 18/2021).

Apartments work differently from houses. Since PP 18/2021, a foreigner can hold a strata title to an apartment unit (Hak Milik atas Satuan Rumah Susun) in a building that stands on HGB or Hak Pakai land. The unit is recorded in your name, and the Rp 2 bn floor for Bali still applies.

- ✓ A valid KITAS, Second Home visa or KITAP on the day the deed is signed
- ✓ One house or one apartment per person or family
- ✓ A plot of 2,000 m² or less
- ✓ The home is for living in, not for running as a rental business
- ✓ A price at or above the provincial floor

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What is the minimum price for Hak Pakai in Bali?

Ministerial Decree ATR/BPN No. 1241/SK-HK.02/IX/2022 sets a minimum price per province, so foreign demand doesn't push into the cheapest housing. Bali sits in the top band with Jakarta, Banten and the Java provinces.

In Bali a house with land must cost at least Rp 5,000,000,000. An apartment unit must cost at least Rp 2,000,000,000. Indonesian citizens living abroad who buy under the same rules face 75% of these amounts. The floors apply to the transaction price, so check the figure in the deed, not the one on the brochure.

Rp 5 bn	Rp 2 bn	2,000 m²
house with land, Bali	apartment unit, Bali	plot limit without special approval

Source: Kepmen ATR/BPN 1241/SK-HK.02/IX/2022, via Hukumonline Klinik and Detik Properti

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Why Hak Pakai has two different ceilings

This is where advisers most often disagree, and the answer is in the land underneath. PP 18/2021 treats Hak Pakai on state land differently from Hak Pakai granted on someone else's freehold.

State land, or land under a management right (HPL), gets the full ladder: a grant of up to 30 years, then 20 more by extension, then up to 30 by renewal. On land an Indonesian holds as Hak Milik, the grant runs up to 30 years and can only be renewed by a new deed the owner signs. There's no statutory extension in between, and the owner can say no.

You'll also see '25 years with extension' or 'up to 70 years' quoted online. Neither matches the regulation. Before you model a 50-year hold, find out which land your title sits on.

On state land or HPL

- First grant: up to 30 years
- An extension adds up to 20
- After that, a renewal can run another 30 years
- 80 years is the ceiling

On an Indonesian's Hak Milik

- A single grant of up to 30 years
- No extension in the regulation
- Renewal needs a fresh deed the landowner agrees to sign
- At renewal time, the owner holds the cards

Source: PP 18/2021, as summarized by Hukumonline Klinik and SmartLegal.id

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HGB through a PT PMA: when the company route wins

Hak Pakai suits one home for you and your family. If you want to rent the villa commercially or own more than one, the title usually goes to a company. A PT PMA holds HGB on the same 30 + 20 + 30 schedule, and because the company is a business, it can also carry the rental permits.

The company comes with its own entry ticket, set by BKPM in 2025: Rp 2.5 bn paid in, and an investment plan larger than Rp 10 bn that can't count the land or the villa. There are no published fees for converting a title for a company, so ask the notary for a written quote. Our PT PMA guide breaks down the running costs.

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Old land papers and how to check a title yourself

Girik, Letter C, petok D and similar documents are old tax and possession records, not titles. PP 18/2021 gave holders five years to register the land. That window closed on February 2, 2026, and since then these papers no longer count as proof of ownership (PP 18/2021, Article 96).

A plot without a registered certificate isn't a bargain waiting for paperwork. Its legal status is unknown, and so are the time and cost of fixing it. You can check a certificate for free in the Sentuh Tanahku app or at bhumi.atrbpn.go.id, which show the holder, area, coordinates and any encumbrance.

- ✓ Look up the certificate number before any money moves
- ✓ Match the name on the certificate to the person signing
- ✓ Confirm whether the land is state land or someone's Hak Milik: that decides 80 years or 30
- ✓ Check the price in the deed against the Rp 5 bn or Rp 2 bn floor
- ✓ For a company purchase, get a written quote for the title work

What happens to Hak Pakai if you leave Indonesia?

Hak Pakai is tied to residence. Indonesian rules have long required a foreigner who stops living in Indonesia, or an heir who doesn't qualify, to sell or transfer the house and the right within one year (PP 41/1996, restated in PP 103/2015). Have your notary confirm how the current regulation words it for your case.

Plan for this before you buy, not when your permit expires. If you expect to spend long stretches abroad, a leasehold or a PT PMA may hold up better. Compare the routes in our guide to buying property in Bali as a foreigner, or browse listings above the Rp 5 bn floor and the areas where they sit.

What this means for buyers

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- 01** Hak Pakai is the one land title a foreign individual can hold in their own name, and it's registered with the state.

 - 02** Three conditions apply: a stay permit, residential use, and a price no lower than Rp 5 bn for a Bali house or Rp 2 bn for an apartment.

 - 03** On state land it can reach 80 years. On an Indonesian's freehold it's 30 years, renewed only with the owner's signature.

 - 04** Leaving Indonesia starts a one-year clock to sell or transfer, so match the title to how you'll actually live.

FAQ

Can a foreigner get Hak Milik after living in Indonesia for years?

No. Hak Milik is reserved for Indonesian citizens, whatever your permit type or length of stay. Foreigners can hold Hak Pakai, lease land, or hold HGB through a PT PMA.

How long does Hak Pakai last?

On state land, up to 80 years: 30, then a 20-year extension, then a 30-year renewal. On land an Indonesian holds as Hak Milik, up to 30 years, renewable only by a new deed with the owner.

What is the minimum price for Hak Pakai in Bali?

Rp 5 bn for a house with land and Rp 2 bn for an apartment unit, under Ministerial Decree ATR/BPN 1241/2022. The floor applies to the price in the deed.

Is Hak Pakai better than HGB through a PT PMA?

For one home you'll live in, Hak Pakai is simpler and has no company to run. For renting or holding several properties, a PT PMA with HGB fits better, because it can hold the business license.

How do I check a Bali land certificate myself?

Use the Sentuh Tanahku app with the certificate number, or the bhumi.atrbpn.go.id map. Both show the holder, area, coordinates and encumbrances, free of charge.

How we know this

Terms for each title come from PP 18/2021 as summarized by Indonesian legal sources that cite the specific articles (Hukumonline Klinik, SmartLegal.id). The full article text isn't reliably available on open government portals, so confirm article numbers with a notary before a deal. Price floors come from Ministerial Decree ATR/BPN 1241/2022, confirmed by two independent summaries. Where sources disagree on the Hak Pakai ceiling, we show the structure in the regulation rather than an average. This is not legal advice.

- Law No. 5 of 1960 on Basic Agrarian Principles (UUPA)
- Government Regulation No. 18 of 2021, as summarized by Hukumonline Klinik and SmartLegal.id
- Ministerial Decree ATR/BPN No. 1241/SK-HK.02/IX/2022, via Hukumonline Klinik and Detik Properti
- Minister of ATR/BPN Regulation No. 18 of 2021 on plot size and number of properties
- Government Regulations No. 41 of 1996 and No. 103 of 2015 on housing for foreigners residing in Indonesia
- PP 18/2021, Article 96, and ATR/BPN statements on girik documents, January 2026
- BKPM Regulation No. 5 of 2025 on PT PMA capital

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Disclaimer

This guide is for information only. It is not an offer, not personal investment advice and not a promise of income. Yield figures are our estimates on the assumptions stated in the text; the actual result depends on the market, management, seasonality and changes in the law. Prices, layouts and terms can change without notice and are not part of any contract. Check the documents, the ownership structure and the tax load with an Indonesian lawyer and tax adviser before you pay a deposit. Prices are in Indonesian rupiah (IDR, Rp), as Law No. 7 of 2011 on Currency and Bank Indonesia Regulation No. 17/3/PBI/2015, Article 11, require. Full disclaimer: <https://riserealbali.com/legal/disclaimer/>

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